



WEST VALLEY CITY REDEVELOPMENT AGENCY
3600 CONSTITUTION BOULEVARD
WEST VALLEY CITY, UTAH 84119

STEVE BUHLER, CHAIR
TOM HUYNH, VICE CHAIR

A Special Regular Meeting of the West Valley City Redevelopment Agency will be held on Tuesday, January 26, 2016, at 6:30 PM, or as soon thereafter as the City Council Meeting is completed, in the West Valley City Council Chambers, West Valley City Hall, 3600 Constitution Boulevard, West Valley City, Utah. Members of the press and public are invited to attend.

Posted January 21, 2016, 3:00 PM

A G E N D A

1. Call to Order
2. Roll Call
3. Communications
4. Report of Chief Executive Officer
5. Resolutions:
 - A. 16-03: Authorize the Execution of an Agreement Between the Redevelopment Agency of West Valley City and ICO Construction, LLC for Reimbursement of Certain Improvements in the Fairbourne Station Development
6. Adjourn

West Valley City does not discriminate on the basis of race, color, national origin, gender, religion, age or disability in employment or the provision of services.

If you are planning to attend this public meeting and, due to a disability, need assistance in understanding or participating in the meeting, please notify the City eight or more hours in advance of the meeting and we will try to provide whatever assistance may be required. The person to contact for assistance is Nichole Camac.

Item: _____
Fiscal Impact: \$77,407.60
Funding Source: RDA Fund (City Center)
Account #: N/A
Budget Opening Required: ☐

ISSUE:

A Resolution approving a Reimbursement Agreement between the Redevelopment Agency and ICO Construction, LLC (“ICO”).

SYNOPSIS:

The Agency and ICO entered into an Agreement for the Disposition of Land for Private Development (“ADL”) in which ICO agreed to construct class A apartments and the Agency agreed to sell ICO a developed parcel upon which to build. Due to the condition of the property at the time of conveyance to ICO, certain improvements, sidewalks, street lights, and irrigation systems, would have been susceptible to damage during Project construction had those improvements been installed as contemplated at the execution of the ADL. Therefore, the Agency and ICO agreed that ICO would install the improvements and that the Agency would reimburse ICO after the Project was complete.

BACKGROUND:

In an effort to promote and facilitate the multi-use concept of the City’s new downtown known as Fairbourne Station, the Agency and ICO entered into an ADL for the development of class A apartments, which include high end amenities, in the heart of Fairbourne Station. This project is now complete; the improvements have been installed by ICO and accepted by the Agency and the City.

RECOMMENDATION:

Agency staff recommends approval of the Resolution.

SUBMITTED BY:

Nicole Cottle, CED Director, Assistant City Manager, General Counsel

Mark Nord, RDA Director

REDEVELOPMENT AGENCY OF WEST VALLEY CITY

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF WEST VALLEY CITY AND ICO CONSTRUCTION, LLC, FOR REIMBURSEMENT OF CERTAIN IMPROVEMENTS IN THE FAIRBOURNE STATION DEVELOPMENT.

WHEREAS, ICO Construction, LLC, (hereinafter “ICO”) constructed class A apartment buildings as part of Phase I of the Fairbourne Station Development (hereinafter the “Project”); and

WHEREAS, under the terms of an Agreement for the Disposition of Land for Private Development executed between ICO and the Redevelopment Agency of West Valley City (hereinafter the “Agency”), ICO agreed to construct improvements such as sidewalks, streetlights, and irrigation on behalf of the Agency, and the Agency agreed to reimburse ICO for those improvements after completion of the Project; and

WHEREAS, the Agency desires to reimburse ICO for these Project expenses; and

WHEREAS, an agreement has been prepared for execution by and between ICO and the Agency, a copy of which is attached hereto, entitled “Redevelopment Agency of West Valley City Reimbursement Agreement,” that sets forth the rights, duties, and obligations of each of the parties with respect thereto; and

WHEREAS, the Board of Directors of the Redevelopment Agency of West Valley City does hereby determine that it is in the best interests of the health, safety, and welfare of the citizens of West Valley City to authorize the execution of the above-referenced Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the West Valley City Redevelopment Agency that the Agreement is hereby approved in substantially the form attached, and that the Chief Executive Officer is hereby authorized to execute said Agreement for and in behalf of the Agency, subject to approval of the final form of the Agreement by the City Manager and the City Attorney’s Office.

PASSED, APPROVED, and MADE EFFECTIVE this _____ day of _____, 2016.

REDEVELOPMENT AGENCY OF
WEST VALLEY CITY

CHAIR

ATTEST:

SECRETARY

**REDEVELOPMENT AGENCY OF WEST VALLEY CITY
REIMBURSEMENT AGREEMENT**

THIS REIMBURSEMENT AGREEMENT is entered into this _____ day of _____, 2016, by and between the Redevelopment Agency of West Valley City, a political subdivision of the State of Utah (herein the “Agency”), and ICO Construction, LLC, a Utah limited liability company, (hereinafter the “Developer”).

W I T N E S S E T H :

WHEREAS, the Developer built class A apartments in Fairbourne Station pursuant to that certain Agreement for the Disposition of Land for Private Development (hereinafter the “ADL”) executed between the Developer and the Agency; and

WHEREAS, under the terms of the ADL, Developer committed to the construction and leasing of class A apartments (hereinafter the “Project”) complete with many high end amenities in exchange for a discounted price for the property; and

WHEREAS, due to the condition of the property when it was conveyed to Developer under the ADL, certain Project improvements such as sidewalks, streetlights, and irrigation would have been susceptible to damage had those improvements been constructed as contemplated at the execution of the ADL; and

WHEREAS, rather than risk damage to the foregoing Project improvements, the Developer was willing to finance and construct the foregoing improvements in order to facilitate the development of the Project, and the Agency agreed to reimburse Developer for those items after completion of the Improvements and the Project; and

WHEREAS, the parties desire to enter into an agreement under which the Agency will reimburse the Developer for the sidewalk, street light, and irrigation improvements; and

NOW THEREFORE, for and in consideration of the mutual covenants made herein, the parties hereby agree as follows:

A G R E E M E N T :

1. **Construction of Improvements.** The Developer hereby acknowledges that all improvements required under the ADL have been constructed and are complete in accordance with standards set forth in the ADL.
2. **Improvements.** The improvements were for Project sidewalks, streetlights, and irrigation systems.
3. **Reimbursement.** The Agency shall reimburse Developer in an amount not to exceed Seventy Seven Thousand Four Hundred Seven Dollars and Sixty Cents (\$77,407.60).
4. **Full Compensation.** The Developer hereby agrees that the reimbursement described in Section 3 shall constitute the full and entire amount of reimbursement payable to Developer. Developer shall not be entitled to any additional reimbursement, compensation, incentive or other payment related to this Project or any other project within West Valley City as of the effective date of this Agreement. This Section shall not apply to future projects, not yet contemplated, in West Valley City.
5. **No Accrual of Interest.** The parties expressly agree that the total Reimbursement to the Developer, as set forth in this Agreement, has not, to the date of this Agreement, and shall not in the future, accrue interest.
6. **Notices.** All notices, requests, demands, and other communications required under this Agreement, except for normal, daily business communications, shall be in writing. Such written communication shall be effective upon personal delivery to any party or upon being sent by overnight mail service; by facsimile (with verbal confirmation of receipt); or by certified mail, return receipt requested, postage prepaid, and addressed to the respective parties as follows:

If to the Developer:

ICO Construction, LLC

If to the Agency:

Redevelopment Agency of West Valley City
Attn: Director
3600 South Constitution Blvd.
West Valley Agency, Utah 84119
Telephone: (801) 963-3322

Either party may change its address for purposes of this Agreement by giving written notice to the other party.

7. **Entire Agreement.** This Agreement contains the entire agreement between the Parties and expressly supersedes any prior agreements between the Agency and the Developer regarding the subject matter contained herein. No statement, promise or inducements made by either party or agents for either party which are not contained in this written Agreement shall be binding or valid. This Agreement may not be enlarged, modified, or altered, except in writing signed by both Parties.
8. **No Third Party Beneficiary.** This Agreement is not intended to create, nor shall it be deemed to create, any right in any person or entity who is not a party to this Agreement and shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party.
9. **Severability.** If any portion of this Agreement is declared invalid by a court of competent jurisdiction, the remaining portions shall not be affected thereby, but shall remain in full force and effect.
10. **Governing Law.** This Agreement shall be interpreted and construed in accordance with the laws of the State of Utah.
11. **No Joint Venture.** This Agreement does not create, and shall not be construed to create, a joint venture by the parties and no separate government entity is established by this Agreement.
12. **Term of Agreement.** This Agreement shall remain in force until such time as the Developer has received the Reimbursement as set forth in Section 3.

(Signatures follow on the next page.)

**REDEVELOPMENT AGENCY
OF WEST VALLEY CITY**

Attest:

APPROVED AS TO FORM

WVC Attorney's Office

By: _____

Date: _____

By: _____
Its: _____

State of Utah _____)
County of Salt Lake _____):SS

Notary Public